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NEA to sign performance contract with officials

BIBEK SUBEDI

Senior officials of Nepal Electricity Authority (NEA), the state-owned power utility, from now on will have to sign performance contract with the management, expressing commitment to achieve certain targets set by the NEA chief. The concept of performance contract, according NEA Managing Director Kulman Ghising, is being introduced to enhance the company's efficiency.

The introduction of this provision—pushed by Energy Minister Janardan Sharma—means eight deputy managing directors, eight regional directors, project chiefs and more than 100 distribution centre chiefs will now have to sign the performance contracts.

The NEA MD, who is drafting the terms and conditions of the contract, says it will be ready within a month. “We are in the process of identifying key performance indicators on the basis of which the performance would be judged,” said Ghising.

If things go according to plan, all senior officials of the authority will have to start signing the contract within a month's time.

“Once, this system is introduced, we will get right people in key positions,” Ghising said. “This will be very helpful in streamlining the operation of NEA which is very inefficient.”

The main target for the distribution centre chief, as per Ghising, would be to control electricity leakages. According to the recently published annual report of the authority, the leakage went up by 5.48 percent year-on-year in the last fiscal year.

“We are very serious about this and distribution chiefs will be allowed to use whatever resources at their disposals to control the leakages,” he said, adding, “Efficient management of inventory and raising the quality of services are other areas which require improvement.”

Likewise, regional directors will also get similar targets.

Similarly, NEA project chiefs will have to stick to the pre-determined work-schedule and their performance will be measured by their ability to complete the assigned tasks on time. Officials who fail to meet the target

mentioned in the performance contract will face stern action, including termination, according to Ghising.

Although it is new for NEA officials to sign performance contract, the practice of inking such agreements is not new for a NEA MD.

The NEA MD has to sign performance contract with the Energy Ministry, and Ghising himself has signed such an agreement. If he fails to meet the target incorporated in the contract he could even be terminated from the job.

Previous NEA MD Mukesh Raj Kafle had to resign from the post after he failed to meet the targets included in the performance contract signed with the ministry. According to the performance contract signed between the ministry and Kafle, he had to score at least 50 percent during the annual evaluation. However, Kafle scored 45 and was asked by Minister Sharma to step down.

Source: The Kathmandu Post; 20 Oct 2016

Bangladesh to build over 1,600 MW hydro projects

BIBEK SUBEDI

In a first major hydro investment deal between Nepal and Bangladesh, the two countries have signed an agreement to build two hydroelectric plants capable of generating over 1,600 megawatts of electricity in Nepal.

Commerce Minister Romi Gauchan Thakali and his Bangladeshi counterpart Tofail Ahmed signed the pact to this effect on Sunday in Dhaka on the sidelines of the 9th South Asian Economic Summit. The proposed projects are 1,110MW Sunkoshi II and 536MW Sunkoshi III located at Sunkoshi river in central Nepal.

Both the countries have agreed to develop the projects under the BBIN (Bangladesh, Bhutan, India, Nepal) initiative which was signed by four countries to facilitate the regional trade and business.

As per the agreement, the electricity produced from Sunkoshi river would be evacuated to Bangladesh via India through the BBIN economic corridor.

“Minister Thakali signed the agreement after the Bangladeshi side expressed interest to invest in Nepal’s hydropower sector,” said Ravi Shanker Sainju, joint secretary at the Commerce Ministry, who had accompanied the minister to Dhaka. “The minister during his talks with the Bangladeshi counterpart expressed commitment to expedite the project development.”

The Energy Ministry, however, is yet to be formally informed about the development. “We are unaware of the signing,” said Dinesh Kumar Ghimire, spokesperson for the ministry. According to Sainju, Minister Thakali will soon hold talks with Energy Minister Janardan Sharma on this matter.

Earlier, the Department of Electricity Development (DoED) had assumed the responsibility of conducting the feasibility study of both the projects spread across Kavre, Ramechhap, Sindhupalchok and Sindhuli districts. Currently, the department is in the process of appointing consultants for the feasibility study.

“If everything pans out well, we will appoint the consultant within three months,” said an official at the DoED.

The DoED is planning to develop both the projects as pumped-storage projects for the first time in Nepal. In a pumped-storage project, water is pumped from lower elevation of the reservoir to a higher elevation during off-peak hours of electricity demand. And when electricity demand is high, the stored water is released to lower reservoir to produce electricity. In this process, the power plant itself becomes electricity consumer for pumping water, but it enables the plant to spend less in pumping water for electricity and charge higher during the peak hour.

As per the plan, water will be pumped from the reservoir of Sunkoshi III, which is located below Sunkoshi river, to Sunkoshi II during off-peak hours and release the stored water during the peak hour.

“For this to take place, the reservoir of Sunkoshi III will be constructed in such a way that it extends to the dam site of Sunkoshi II,” said the source.